

Template for Nonprofit Education Foundations BY-LAWS

ARTICLE I: NAME AND LOCATION

SECTION 1. NAME. The legal name of the corporation is "[Municipal or School District Name] Education Foundation," hereinafter called "the corporation."

SECTION 2. LOCATION. The registered office of the corporation and the place where the corporation shall carry out its purposes is in the [Municipality(ies)] within [County] in the State of Maine as set forth in the Articles of Incorporation.

ARTICLE II: PURPOSE AND MEMBERS

SECTION 1. PURPOSE. The purpose of this non-profit charitable corporation is to secure and distribute contributions from individuals, estates, government, corporations, foundations, and any other source for the educational benefit of the students of [School or School District]. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on by an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

SECTION 2. MEMBERS. The corporation shall have no members and shall be a non-membership corporation.

ARTICLE III: BOARD OF DIRECTORS.

SECTION 1. COMPOSITION. Directors of the corporation must be citizens of the municipality(ies) and contain at least one member who is a teacher or administrator in the municipality's education system to be a liaison between the school system and the corporation. Every effort shall be made to insure broad community representation on the board of directors.

SECTION 2. SIZE. There shall be seven (7) directors.

SECTION 3. ELECTION AND TERMS. The initial members of the board of directors shall be elected by the incorporators of the corporation. Thereafter members of the board of directors shall be elected by a majority vote of the remaining directors at their annual meeting.

To determine the term of office for the members of the board of directors, the secretary at the first regular meeting of the corporation following the adoption of these by-laws, will choose, by random lot, three directors to hold an initial term of one year, three directors to hold an initial term of two years, and one director to hold an initial term of three years. Subsequent to the initial varied terms, all terms of office for members shall be for three years. They shall serve until their successors are elected and qualified.

Any director may resign his or her office by delivering a written resignation to the president. Any individual director may be removed by the affirmative vote of two-thirds of the directors in office.

Any vacancy in the board of directors shall be filled by a majority vote of the remaining directors and shall serve until the next regularly scheduled annual meeting.

SECTION 4. MEETINGS. The board of directors shall hold annual meetings on the second Monday in January at a time and place to be fixed by the board of directors. Notice of meetings shall be given at least two weeks in advance of a meeting. At the annual meeting the board of directors shall elect its members and carry out other business.

SECTION 5. SPECIAL MEETINGS. Special meetings of the board of directors may be called at the discretion of the president, or by written request of any two directors with no less than seventy-two (72) hours notice.

SECTION 6. QUORUM AND VOTING. A majority of the number of board of directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors.

SECTION 7. DUTIES. The board of directors shall have power to transact all the business of the corporation.

SECTION 8. WAIVER OF NOTICE. A director may waive notice of any meeting by signing a waiver of notice before or after the meeting in question.

ARTICLE IV: OFFICERS AND ELECTIONS

SECTION 1. OFFICERS. The officers of the corporation shall be president, vice-president, secretary, and treasurer and shall be elected by and serve at the pleasure of the board of directors.

SECTION 2. ELECTION AND TERMS. The officers shall be elected for a term of one year at the time of the annual meeting. If a vacancy occurs in one of the officers, it shall be filled by the board of directors at any regular or special meeting.

SECTION 3. PRESIDENT: POWERS AND DUTIES. The president shall preside at all meetings of the board of directors; appoint committee chairmen; carry out such other duties as usually pertain to the office of president; and serve as an ex-officio member of all committees.

SECTION 4; VICE-PRESIDENT: POWERS AND DUTIES. The vice-president shall perform such duties as delegated by the board of directors or the president and shall perform the duties of president in the absence of the president.

SECTION 5. SECRETARY: POWERS AND DUTIES. The secretary shall keep minutes of the meetings of the board of directors and shall see that all notices are given in accordance with the provision of these by-laws.

SECTION 6. TREASURER: POWERS AND DUTIES. The treasurer shall have charge of the administration of, and accounting for, corporate funds in accord with the corporation's investment policies. The treasurer shall prepare all financial statements required by law, the board of directors, or good accounting practices. The treasurer shall provide the board of directors with quarterly and annual reports of all corporate financial transactions and investments, and of the financial condition of the corporation.

ARTICLE V: COMMITTEES

SECTION 1. COMMITTEES. The board of directors, by resolution adopted by a majority of the directors in office, may designate committees, which, to the extent provided in such resolution, shall have and exercise the authority granted by the board of directors for the management of the corporation. Each such committee shall consist of two or more persons. The designation of such committees and the delegation thereto of authority shall not relieve the board of directors, or any individual director, of any responsibility imposed by law.

SECTION 2A. EXECUTIVE COMMITTEE. An executive committee consisting of the president, vice-president, secretary, and treasurer shall be designated by resolution adopted by a majority of directors in office. The board of directors may delegate to the executive committee any part of all of the powers of the board of directors in the management of the business and affairs of the corporation as specified in the resolution.

SECTION 2B. FINANCE COMMITTEE. A finance committee consisting of two or more directors shall be designated by resolution adopted by a majority of the board of directors in office. The finance committee shall annually review the corporation's investment policy. Recommended changes will be presented to the board of directors for consideration. The finance committee shall also quarterly review the corporation's investments to ensure that the investment policy is being followed.

SECTION 2C. NOMINATING COMMITTEE. A nominating committee consisting of two or more directors shall be responsible for developing a list of nominees from which the directors shall be elected by the board of directors at each annual meeting. The nominating committee shall notify the secretary of the names of such nominees at least 30 days prior to the annual meeting.

SECTION 2D. OTHER COMMITTEES. Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present. Membership on such committees may, but need not be, limited to directors. Any non-director who becomes a member of any such

committee shall have the same responsibility with respect to such committee as a director who is a member thereof.

SECTION 3. COMMITTEE MINUTES. The committees shall keep regular minutes of their proceedings and report the same to the board of directors when required.

ARTICLE VI: CONTRIBUTIONS

CONTRIBUTIONS. The corporation's primary purpose shall be to raise money or other forms of contributions which may be either restricted or unrestricted contributions; however, any restricted contribution, once accepted, must be distributed in accordance with the restrictions. It is not the purpose of this corporation to replace general operating funds for the [School Name] School District, nor to supplant funding derived from regular funding sources, such as funds provided by federal, state, or local governments. Therefore, contributions from the corporation are not intended to be considered a regular revenue source for the operation of the school district.

ARTICLE VII: SAFEKEEPING

SECTION 1: BOOKS AND RECORDS. The corporation shall keep and maintain correct and complete books and records of account and shall keep minutes of the proceedings of its board of directors.

SECTION 2: AUDITS. The books and records shall be kept at the corporation's registered office and shall be audited annually by a certified public accountant.

SECTION 3: ANNUAL REPORT. The board of directors shall make an annual report to the municipal officers and school district's school board served by the corporation. The report shall include the corporation's acts, goals, and financial condition.

ARTICLE VII: STAFF

SECTION 1. STAFF. The board of directors may accept the services and assistance of school and municipal personnel for the purpose of carrying out the work of the organization.

ARTICLE IX: AMENDMENTS

SECTION 1. AMENDMENTS. Amendments to these by-laws shall be proposed in writing and filed with the secretary. The secretary shall see that a copy of the proposed amendments is sent to all the directors two (2) weeks prior to the meeting at which they are to be considered. The directors may adopt amendments to these by-laws by a three-fifths (3/5) vote of the directors present at any regular meeting of the corporation, or any special meeting called for that purpose at which a quorum is present.

ARTICLE X: DISSOLUTION

SECTION 1. DISSOLUTION. When the purpose for which it was established has been accomplished or abandoned, the corporation may be dissolved by a majority vote of the board of directors of the corporation. After paying or adequately providing for the debts and obligations of the corporation, the remaining assets shall be distributed to the school district, or some other foundation or corporation which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code, as provided in Article VII of the Foundation Articles of Incorporation, and has an educational purpose.